

### 30 –DAY PUBLIC COMMENT PERIOD SUMMARY OF RESPONSES

The following comments and responses were taken at the **Housing Advisory Commission** on April 8, 2004.

<i><b>Public Comment</b></i>	<i><b>City Response</b></i>
(Page 8) Saul Wachter, the Affordable Housing Network (AHN) stated that under State and Local Resources the section references ELI as a use of 85% of its funding, but noted that this is not accurate since the Housing Allocation Policy does not state this as a use.	The Housing Department feels that while ELI does not currently have a set aside of funding because it is incorporated into the VLI category under the City's Housing Allocation Policy, it is important to note that the Department is funding many projects for our residents earning 30% or less of the Area Median Income (AMI).
(Page 12) Saul Wachter, AHN, asked why the Housing Department did not include reference to the new NOFA process established by the City.	Staff agrees with Mr. Wachter, regarding the City's new NOFA process. Information would be added to the ConPlan reflecting the
(Page 13) Saul Wachter, AHN, noted that the chart on page 13, which calculates each housing project by Council District, didn't seem to support the City's Dispersion Policy.	In response, the Housing Department has added language to the ConPlan under the Dispersion Policy section, which gives more detail about the purpose and goal of the policy. The City's dispersion policy is a positive statement about encouraging development throughout the city and building affordable housing outside of impacted census tracts. The dispersion policy is meant to track affordable housing by "impacted" census tracks (meaning that over 50% of residents are low-income within those census tracts) not by Council District. Current figures indicate that 96% of the City's affordable housing are outside of these impacted census tracts.
(Page 13) Saul Wachter, AHN, noted that under the chart in the Dispersion Section it would be helpful to have it broken down by the number of units, by income category, in each Council District.	This information is contained in the City's Quarterly Housing Production Report. HUD does not require this information for the Consolidated Plan Annual Action Plan.
(Page 21) Commissioner Ordonez asked why the proposed funding under the ESG funding recommendations was higher than the funding requested by the Bill Wilson Center.	The dollar amount for the Bill Wilson Center has changed to \$22,000 after further deliberation by the ESG Committee.
(Page 30) Commissioner Colacicco suggested that under the American Dream Downpayment Initiative (ADDI), the City consider using these limited dollars for closing costs instead of strictly for downpayment assistance.	Housing Department staff reviewed the Federal ADDI regulations and understands that downpayment assistance can include closing costs. Therefore, these monies will be used for either downpayment or closing costs, as deemed necessary by the Department.

The following comments were and responses were taken from the **Mobilehome Advisory Commission** on April 8, 2004

<i><b>Public Comment</b></i>	<i><b>City Response</b></i>
(Page 31) Commissioner Hirsch, commented that the American Dream Downpayment Act specifically authorizes the use of the money it appropriates through CDBG to assist purchasers of manufactured homes (mobilehomes) on leased land with their downpayment. And as a Commission, it is recommend that the Consolidation Plan be amended to include a recommendation that some reasonable portion of the monies coming to the City of San Jose as a result of the American Dream Downpayment Act be set aside for purchasers of manufactured homes (mobilehomes) on leased land.	The Housing Department will include language permitting use of ADDI funds for this purpose, subject to the terms indicated in the ADDI statute and program regulations. However, the Department does not believe that it is appropriate to set aside a portion of money at this time, given the limited total amount of ADDI funds available (\$403,914) and the need to clarify the federally required terms for such a program.

The following comments and responses were taken at the **San Jose City Council meeting on April 6, 2004** and through letters/phone calls/faxes/e-mails during the 30-day public comment period.)

<i><b>Public Comment</b></i>	<i><b>City Response</b></i>
(Pages 35-44) Public commented that the allocation of funds for Fair Housing were inappropriate. CDBG cut 25% to their program. The City only cut 4%. A 25% cut is too deep to maintain the program and will have a much higher impact than 25%.	Fair Housing, together with planning projects and projects to administer the CDBG program, are subject to 20% Administrative cap. All projects in this category were recommended at less than their request, including services to ensure compliance with Federally mandated requirements.
(Pages 35-44) CDBG recommendation counter to Economic Development Strategy of the City of San Jose. No money was given to the Silicon Valley Economic Development Corporation (SVEDC) and this will directly cut service to small business. SVEDC would like to see \$150,000 restored to the program.	A total of \$287,481 is recommended to fund three SVEDC projects. This is a reduction of approximately 23% from current funding for operations (i.e. excludes loan funds.) Reductions to SVEDC projects were made to allow funding of additional physical improvement projects. These projects also stimulate the economy.
Comment was made that the CDBG process was closed to all new comers. The San Jose resident complained that he would have had to attend a workshop in order to receive an application of funding.	CDBG applications were available to anyone from the web site, by email, or hard copy in the CDBG office to any one. Attendance at a workshop was strongly encouraged, but NOT a requirement to receive an application. 11 new physical improvement projects were recommended for funding.

<i><b>Public Comment</b></i>	<i><b>City Response</b></i>
Saul Wachter stated that under State and Local Resources the section references ELI as a use of 85% of its funding, but noted that this is not accurate since the Housing Allocation Policy does not state this as a use.	
The Korean community of Silicon Valley stated that they were pleased with CDBG funding and thanked the City for funding a project in 2005-2006 and 2006-2007; however, money was also needed in 2004-2005 as well.	Some projects were “placed” or given priority funding in the second and third years of the plan in cases where the project could support a delay in funding.
Emergency Housing Consortium (EHC) was disappointed that CDBG funding was not appropriated to the Our House project.	Request for CDBG funding were triple the amount available for allocation. Many excellent projects were not funded as a result.
<p>Councilmember Yeager commented that the process of the CDBG Steering Committee presented many tough choices. Hearings were contentious and ultimately, the Committee felt that more money should be spent on the City’s Strong Neighborhood Initiative (SNI) projects, which in turn meant fewer dollars to spread around. However, he requested that staff go back and get additional information related to the following:</p> <ol style="list-style-type: none"> <li>1) Look at the Fair Housing section to see if an additional \$31,000 might be found for these services.</li> <li>2) Talk to Office of Economic Development (OED) to better understand what the cuts to SVEDC will mean to small businesses.</li> </ol>	<ol style="list-style-type: none"> <li>1) We are identifying additional non-person funds in the Administration Category to transfer to Fair Housing. The plan will be presented to City Council in the final Consolidated Plan.</li> <li>2) We are proposing that SVED carry over unexpended funds from FY2003-04 to reduce the 04-05 funding gap to approximately 15% in line with general City reductions</li> </ol>
Councilmember Reed requested how the changes in CBO’s would be in line with the Mayor’s Budget message.	The CDBG funding recommendation generally maintains CBOs at their current funding level. Where reductions in CBO funding were necessary, mitigations to the impact are being developed.
Councilmember Williams asked Leslye Corsiglia, Housing Department Director, to report why VLI and ELI were not included as a part of the ConPlan.	After confirming with Mr. Wachter regarding his comments, the Housing Department feels that while ELI does not currently have a set aside of funding because it is incorporated into the VLI category under the City’s Housing Allocation Policy, it is important to note that the Department is funding many projects for our residents earning 30% or less of the Area Median Income (AMI) and should therefore reflect these levels in reporting.